GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:2445
ANSWERED ON:13.03.2001
FDI IN PHARMACEUTICALS
DR. KIRIT SOMAIYA

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) Whether proposals submitted by some pharmaceutical companies for 100% subsidiary have not been cleared even after approval of FIPB;

(b) if so, the details thereof; and

(c) the time by which the decision is likely to be taken in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS(SHRI S. B. MOOKHERJEE)

(a) to (c) : Government has already permitted Foreign Direct Investment(FDI) upto 74% in case of bulk drugs, their intermediates and formulations (except those produced by the use of recombinant DNA technology) under automatic route. FDI above 74% in this sector is considered on a case to case basis by the Government.
Receipt and disposal of FDI proposals is a continuous process.FDIproposals are normally disposed of within 30 days as per FDI guidelines and in consultation with the concerned Administrative Ministries. During the period from August, 1991 to December, 2000, 142 FDI proposals in the drugs and pharmaceuticals sector have been approved.